

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF CLEARWATER DISPOSAL,)	
INC. FOR RATE ADJUSTMENT PURSUANT TO)	
THE ALTERNATIVE RATE FILING PROCEDURE)	CASE NO. 92-242
FOR SMALL UTILITIES)	

O R D E R

On June 10, 1992, Clearwater Disposal, Inc. ("Clearwater") filed an application for Commission approval of a proposed increase in its rates for sewer service. Clearwater proposed rates for sewer service which would generate additional annual revenues of \$5,280 annually, an increase of 45 percent above test-year revenues.

In August 1992, the Commission Staff conducted a field review of Clearwater's test-period financial records. Based upon this review, the Commission issued Staff's report by Order dated August 19, 1992. Staff recommended Clearwater be allowed to increase its annual operating revenues for sewer service by \$5,306. Clearwater was advised to file comments on the Staff Report or request a hearing no later than September 3, 1992, or the case would stand submitted to the Commission for a decision. Clearwater accepted Staff's recommendations by letter dated September 12, 1992.

The Commission, after consideration of the evidence of record and being otherwise sufficiently advised, finds that:

1. The recommendations and findings contained in the Staff Report are supported by the evidence of record, are reasonable, and

are hereby adopted as the findings of the Commission in this proceeding and are incorporated by reference as if fully set out herein.

2. The rates in Appendix A are the fair, just, and reasonable rates for Clearwater and will produce gross annual revenues of \$16,948 for sewer service based on adjusted test year sales. These rates will allow Clearwater sufficient revenues to meet its operating expenses and provide for future equity growth.

3. The rates proposed by Clearwater are insufficient to produce the revenue requirement found reasonable herein and should be denied upon application of KRS 278.030.

IT IS THEREFORE ORDERED that:

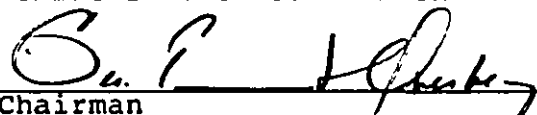
1. The rates proposed by Clearwater in its application are hereby denied.

2. The rates in Appendix A are approved for service rendered by Clearwater on and after the date of this Order.

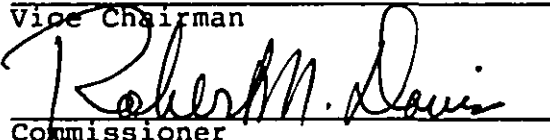
3. Within 30 days of the date of this Order, Clearwater shall file with the Commission its revised tariff setting out the rates approved herein.

Done at Frankfort, Kentucky, this 1st day of October, 1992.

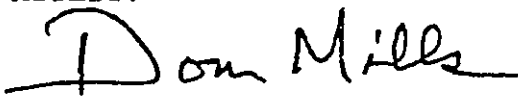
PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 92-242 DATED October 1, 1992.

The following rates and charges are prescribed for the customers in the area served by Clearwater Disposal, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

<u>Customer Class</u>	<u>Rates</u>
Residential (Single Family)	\$12.84 per month